

UNITED STATES MARINE CORPS
Logistics Operations School
Marine Corps Combat Service Support Schools
Training Command
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E205

STUDENT OUTLINE

PREEXPENDED BIN (PEB)

LEARNING OBJECTIVES

1. Terminal Learning Objective: Given the billet of maintenance management specialist, preexpended bin (PEB), PEB listing, and the references, maintain a maintenance section PEB, to ensure the items and stockage levels conform to references.
2. Enabling Learning Objectives: Given the billet of a maintenance management specialist, a preexpended bin (PEB), a PEB listing, and the references, identify:
 - a. PEB usage dollar criteria.
 - b. Who can authorize the PEB.
 - c. When to replenish the PEB.

OUTLINE

1. **PURPOSE**. Proper use of a PEB provides maintenance with ready access to a source of common, low-cost, high-usage hardware items. PEB criteria is established in MCO P4400.150. A PEB is not a substitute for the normal means of obtaining seldom used repair parts.
2. **PEB ITEMS**. The items authorized in a PEB can ensure adequate stockage of fast-moving items and require planning and coordination among the MMO, maintenance section, and supply officer. The result of this planning and coordination is an across the counter issue rather than an a backorder.
 - a. PEB items provide continuous availability of high usage, fast-moving, items for mechanics and technicians such as:
 - (1) Commonly used hardware items, such as, nuts, bolts, battery terminals, etc.

(2) Items used during scheduled preventive maintenance, such as, filters, belts, hoses, etc.

(3) High usage items that effect readiness of a unit, such as, voltage regulators, weapons parts, radio handsets, etc.

b. The primary reason for maintaining a PEB is to enhance readiness, maintenance operations, and economical management of low-cost, fast moving expendable items.

c. The PEB stockage should be minimal. Layering of stock is not a duty or mission of a maintenance shop. Further, layering prevents development of usage history for continued support by higher levels of supply. PEB items are not an alternative or substitute for Purpose Code A/retail A (demand supported stock).

d. The PEB procedures should ensure bin replenishment within the limits of necessary control and accountability. Stockage of PEB items should not prevent use of other sources of supply, such as, the general account, the DSSC activity, bills of materiel (BOM), or Purpose Code A (demand supported stock).

3. PEB CRITERIA. Commanders will review and approve (in writing) items for PEB at least annually. Additionally, the commander may approve changes to this listing as required. If an enclosure is used to list the PEB items, the commander must initial each page of the enclosure. Supply and maintenance personnel will review the PEB and assist commanders, as required, with establishing and maintaining authorized PEB range and depth.

a. The PEB stockage criteria is based on unit price (U/P) and item usage. PEB criteria are as follows:

(1) U/P Criteria. The U/P criteria for PEB stockage must be less than or equal to \$500 per unit of issue (U/I).

(2) Usage Criteria. The usage criteria are as follows:

(a) For those items applied/consumed as a full U/I, (e.g. EA, PR, etc.) the usage criteria is six U/I's applied/consumed in 12 months based on maintenance usage.

(b) For those items applied/consumed as less than a full U/I (e.g. roll, hundred, or box, etc.) the usage criteria is one U/I applied/consumed in 12 months.

(c) When the total dollar value of a item is less than or equal to \$50, it is not mandatory to capture usage data via class 1 systems using the MIMMS advice code PB. Usage will be compiled using the most logical method deemed appropriate by the unit commander. Examples include local data base, manual records, or maintenance usage.

(3) Consumables approved for stockage as PEB items will not exceed 30 days of supply for each using unit based on average demand over the previous 12 months. Those consumables having an average quantity more than one-half over the previous 12 months are authorized a minimum stockage quantity of one.

(4) Those consumables applied in quantities less than a full U/I (e.g., box, hundred, mix, etc.) are authorized to be stocked in quantities not exceed two full U/I's or 30 days of supply based on usage, or whichever is greater.

(5) Broken U/I's of common hardware (i.e., bolts, nuts, screws, washers, etc.) costing less than or equal to \$5 per U/I which are ordered against a corrective maintenance equipment repair order (ERO) that do not meet PEB criteria, do not require further control or accounting once the U/I is applied to the equipment. The leftover portion will be displayed in a parts bin, in plain view of the shops maintenance personnel, and used until exhausted. Strict control and accountability is not required, but maintenance supervisors must ensure mechanics/technicians know how to use the on hand supply before ordering more. Broken U/I's not considered common hardware or costing more than \$5 per U/I will be added to the authorized PEB list or placed on a locally established broken U/I listing in cases where a PEB has not been established. They must be identified on the list as broken U/I's and reflect the date they were added to the list. They may be retained as a PEB item until exhausted.

(6) PEB policy will be reviewed annually to ensure the criteria are effectively supporting the intent of the PEB.

4. AUTHORIZATION OF A PEB

a. Considerations. The unit commander's decision to authorize a PEB and what it contains will be made with consideration of the following:

(1) Time and effort of maintenance personnel that will be required to store, stock, and account for the material.

(2) The unit's funds will be expended before the material is used, rather than when the material is used, as is with the case of Purpose Code A stocks.

b. Authorization. When it is determined that a preexpended bin will enhance the maintenance effort, the unit commander will publish a letter authorizing specific items to be included in the PEB. The letter will contain, as a minimum, the following information concerning the items authorized for storage:

- (1) Nomenclature
- (2) NSN/Part Number
- (3) Maximum Quantity Authorized
- (4) Unit of Issue
- (5) Unit Price
- (6) Extended Price (Quantity Authorized Multiplied by Unit Price)

5. PROCEDURES FOR CONTROLLING A PEB. Once an item is procured and issued to the PEB, no further supply accounting is required. However, prudent management dictates that simple procedures are required for locating/identifying the items and establishing the appropriate time to replenish the items in the PEB. Some examples of such procedures are as follows.

a. Within the PEB, separate the items by specific NSN into separate compartment/box/container labeled with the NSN.

b. Establish a reorder point in the authorization letter (this requires periodic review of assets held within the PEB to determine if an ROP has been reached).

c. Place the reorder point quantity of items in a bag. When the bag must be opened, the quantity must be ordered to equal the total authorized.

d. As parts are used, the usage is recorded (by actual notation/use of cards or chips), and after a specified quantity is expended, the item is reordered.

6. REQUISITION. Periodically the unit needs to requisition repair parts with a multiple unit of issue containing a quantity greater than quantity required to repair the item of equipment; for example, hundred, box, pack. When the multiple unit of issue is received, the unit will apply the quantity required to repair the item of equipment and determine additional requirements for the remaining.

a. The remains will be added to the PEB list indicating broken unit of issue. Use until exhausted when additional requirements exist, and do not reorder for the PEB.

b. When additional requirements exist, the unused portion of the unit of issue will be added to the PEB list. Indicate the PEB listing with the broken unit of issue, use until exhausted, and do not reorder.

7. STANDING OPERATING PROCEDURES (SOP). Procedures established for identifying, locating, and reordering PEB items must be included in the MSC MMSOP.

REFERENCES:

1. MCO P4790.2C
2. MCO P4400.150E